



A Monthly Update from the Office of Vermont Health Access

OVHA Pharmacy Bulletin

Keeping our Pharmacies Current with Policy Changes and Alerts

<http://www.state.vt.us/ProviderPharmacyServices.cfm>

Volume 3

January 2007

To submit questions or suggest topics send an email to: OVHA-PH@ahs.state.vt.us

CLAIMS PROCESSING UPDATE

A recent audit of 2004 and 2005 pharmacy claims activity has identified instances where pharmacies may have made errors entering data, including recording inaccurate quantities dispensed, days supplied and dosages. Billed quantities often far exceeded norms or maximum dosage standards. Some common errors include:

- **TYPOGRAPHICAL ERRORS:** Pharmacy providers are sometimes simply making typographical errors when entering quantity amounts. For example, instead of entering a quantity of 60 the provider entered a quantity of 960.
- **KIT ERRORS:** Incorrect quantities billed and paid often occur when the provider enters the number of items in a kit or the number of days supplied when the appropriate quantity for the kit is often one.

Example:

Drug:	Copaxone® Kit
Reported Quantity Dispensed:	30
Days Supplied:	30 days
Calculated Price (incl. dispensing fee):	\$ 51,786.41
Correct Quantity Dispensed:	1
Correct Calculated Price:	\$ 1,730.96

In this case, the correct quantity should have been one kit, not the 30 that were billed and paid. It appears that the provider recorded the number of days supplied (or number of syringes) as the quantity dispensed.

- **PRE-FILLED SYRINGES:** Sometimes providers are confused about billing the quantity of syringes dispensed versus the number of mls dispensed. For example, a single Lovenox® 60 mg syringe should be billed as a quantity of 0.6 (0.6 ml of 100 mg/ml) rather than a quantity of one.

Example:

Drug:	Lovenox® 60 mg prefilled syringe
Syringe Volume:	0.6 ml
Reported Quantity Dispensed:	60
Days supplied:	30
Calculated Price (incl. dispensing fee):	\$ 4,300.59
Correct Quantity Dispensed:	36
Correct Calculated Price:	\$ 2,582.26

In this case, the correct quantity should have been 36 (ml) (60 syringes X 0.6 ml/syringe), not the 60 (syringes) that were billed and paid.



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- **INHALER / NASAL SPRAY ERRORS:** It appears that providers sometimes bill:
 - (1) the number of puffs or actuations instead of the correct drug quantity
 - (2) an invalid package size instead of the appropriate quantity based on the NDC
 - (3) the medication strength instead of the correct quantity dispensed
 - (4) the package size multiplied by the days supplied instead of the amount dispensed
 - (5) a quantity that is 10 times or a multiple of 10 times the package size

Example:

Drug:	Flovent® HFA 220 mcg inhaler
Inhaler Size:	12 g canister, 120 inhalations
Reported quantity dispensed:	120
Days supplied:	30
Calculated Price (incl. dispensing fee):	\$ 1,715.74
Correct Quantity Dispensed:	12
Correct Calculated Price:	\$ 175.85

In this case, the correct quantity should have been 12, not the 120 that were billed and paid. It appears that the pharmacy billed for the number of puffs or actuations (120) (or 10 times the package size) instead of the drug quantity (12).

Please make sure that you are billing the correct quantity for drugs prescribed. If you have questions regarding the correct quantity to bill for a particular drug, you can call the MedMetrics Health Partners' Clinical Call Center at (800) 918-7549 for assistance. In the very near future, we will be exploring the establishment of additional edits and audits in our claims processing system which will minimize these types of errors.

INCONTINENCE SUPPLIES

Some pharmacies have been billing MedMetrics **in error** for incontinence supplies (including Depends®, Huggies® and Pull-Ups®) and sanitary napkins. **Some facts:**

- Incontinence supplies have always been covered as a medical benefit **only when** there is medical need.
- Prior authorization is required when established quantity limits are exceeded.
- They are to be billed only to EDS and only on a CMS-1500 claim form using HCPCS procedure codes. (Please refer to the EDS provider manual for full instructions, which can be found at www.vtmedicaid.com). You may contact EDS Provider Services @ 878-7871 (local) or 800-925-1706 (in-state long-distance) or 802-878-7871 (out-of-state long-distance) with questions regarding this.
- Incontinence supplies are **not covered** under OVHA's pharmacy benefit, and MedMetrics will no longer process these claims.

PART B DEDUCTIBLES

When billing Part B claims for which no payment was made by Medicare because the beneficiary's annual deductible has not yet been met, please use an "other coverage code" of 4. This also applies to full benefit dual Medicaid beneficiaries for whom the use of OCC4 for Part D is not appropriate.